

invitees, guests and patrons using the Parking Unit (including without limitation the Parking Operator, the Asset Manager, Unit Owners and their respective employees) shall be required to pay the full parking rate payable by the general public for vehicular parking, except as otherwise approved by the Parking Operations Committee from time to time. Notwithstanding the foregoing, this provision shall not apply to the Washington Sports Club as provided in the initial rates chart appearing in Section II of Exhibit B.

(F) *Increases for Repayment of Public Financing.* Notwithstanding anything to the contrary contained in this Section 7, after the TIF Note is satisfied in full, Unit No. 3 Owner shall have the right to reasonably increase parking rates as necessary to make debt service on the Bonds provided that any parking rates proposed would not exceed rates then charged at Comparable Parking Facilities. In the event that Unit No. 3 Owner requires such parking rate increase(s), Unit No. 3 Owner will (i) give each other Unit Owner, the Parking Operations Committee and the Unit Owners Association prior written notice of such increase, and (ii) use diligent efforts to minimize any increase in parking rates. In the event the members of the Parking Operations Committee do not agree that increases in one or more of the parking rates was duly implemented by Unit No. 3 Owner, then the existing parking rate(s) shall remain in place and one or more of the Unit Owners may invoke the provisions of Section 13(H) below.

(G) *Parking For Construction Vehicles.* After the Opening Date, each of the Unit Owners shall use commercially reasonable efforts to require that construction vehicles or construction-related equipment, machinery or other apparatus of contractors performing work on its Unit will park elsewhere than within the Parking Unit. The foregoing shall not prevent a person hired or employed in the construction and fit out of the Building or of any Unit, or of any tenanted or occupied space in the Building or any Unit therein, who agrees to pay the posted parking rates of Unit No. 3, from being able to park in Unit No. 3 while in his or her work activities at the Property; and Unit Owner No. 3 may not be discriminate against that person who is seeking parking accommodations within Unit No. 3

(H) *Parking Unit to Serve Retail Uses with the Condominium.* The Parking Unit is intended to be operated as a public parking facility containing not less than 1,000 parking spaces with the ability to provide accommodations for attendant assisted parking for two hundred forty four (244) additional vehicles in order to comply with the provisions of the BZA Order, serving primarily the commercial, service and retail uses operating within Unit No. 1 and Unit No. 2.

(I) *Parking Validation Agreements; Parking Discount Agreements.* Except as expressly provided herein, in no event shall Unit No. 3 Owner or the Parking Operator enter into parking validation agreements, parking discount agreements, guaranteed parking availability agreements, or any other contractual arrangements for the provision of vehicular parking within the Parking Unit, without first obtaining the consent of the Parking Operations Committee, such consent not to be unreasonably withheld, conditioned or delayed by the Parking Operations Committee, unless the Parking Operations Committee believes, by majority vote, that the proposed contractual arrangement could be expected to materially and substantively violate or deviate from the Parking Objectives in one or more instances.

(J) *Budget.* Unit No. 3 Owner shall have prepared annually and shall submit to the Parking Operations Committee no less than sixty (60) days in advance of the beginning of

each fiscal year of the operation of the Unit No. 3 a budget related to the costs and expenses of ownership and operation of Unit No. 3, taking into account the need of Unit No. 3 Owner to fulfill and satisfy the Parking Objectives as well as its obligations under the Condominium Instruments. The Parking Operations Committee shall have no less than thirty (30) days to review that proposed budget, and to provide comments in reasonable detail on the proposed budget to the Unit No. 3 Owner. Unit No. 3 Owner shall give reasonable consideration to the comments received from the Parking Operations Committee regarding the proposed budget and make reasonable accommodations in the proposed budget for those comments.

8. Maintenance, Repair and Replacement of the Parking Unit/Alterations of and Capital Improvements to the Parking Unit.

(A) *Standards of Maintenance, Repair and Replacement of the Parking Unit.* At its sole cost and expense, Unit No. 3 Owner shall cause the Parking Unit and all structural and non-structural components, systems and facilities within and comprising Unit No. 3 to be maintained, repaired and replaced, and capital improvements undertaken in accordance with the standards ("Maintenance Standards") set forth on the Parking Guidelines in Section III of Exhibit B hereto, as well as in accordance with the applicable provisions of the Condominium Instruments. Unit No. 3 Owner shall cause the Parking Unit to be maintained in a safe and sanitary, and fully functioning order and condition, to satisfy and fulfill the Parking Objectives and all requirements of the Condominium Instruments. All maintenance, repair and replacements, and capital improvements shall be conducted in a manner and upon a schedule at least comparable to those then in effect for Comparable Parking Facilities. Nothing in this Section 8 shall be deemed to obligate Unit No. 3 Owner to maintain, repair or replace, alter, or undertake capital improvements related to the Elevator Easement Areas and the Shopping Cart Coral Easement Areas as the same may exist from time to time, that responsibility being of the Unit Owner or Unit Owners benefited by each Easement Area from time to time. Furthermore Unit No. 3 Owner will not be liable for any maintenance, repair and replacement, alterations or capital improvements to any Common Element areas of the Condominium, unless any of the same is assigned individually to Unit No. 3, or otherwise Schedule A to the Bylaws of the Condominium assigns responsibility to Unit No. 3 Owner.

(B) *Components, Systems and Facilities to be Maintained, Repaired and Replaced.* The component, systems and facilities of the Parking Unit to be maintained, repaired and replaced by Unit No. 3 Owner in accordance with the Maintenance Standards include, without limitation, the following:

(1) The level of illumination initially provided in the Parking Unit, including daily replacement of burned out light bulbs in all drive aisles, ramps, stairwells, pedestrian walkways and parking areas of the Parking Unit, as well as any changes to the level illumination agreed upon by the Parking Operations Committee pursuant to Section 8(D) below of this Declaration;

(2) Painting of walls, parking decks and ceilings within the Parking Unit, including graphics, and paint-striping of parking spaces and directional arrows on the parking decks, protecting, and preserving or re-producing, as applicable, however then existing graphics installed in the Parking Unit, except where the Parking Operations Committee approves otherwise.

- (3) Garage exhaust system and all mechanical and electrical systems;
- (4) Water drainage system on all levels of the Parking Unit;
- (5) Fire and life safety systems and the sprinkler system throughout the Parking Unit;
- (6) Parking Unit BMS equipment;
- (7) All parking facility control equipment (such as entry booths, facility access equipment, etc.);
- (8) Floor slabs and parking ramps within the Parking Unit (except within the Elevator Easement Areas and Shopping Cart Corral Areas, which are to be maintained by the Unit Owner benefited by such easements);
- (9) Illuminated parking signage located on the exterior of the Building and within the Parking Unit, subject to review with the Parking Operations Committee, where replacements and changes are proposed;
- (10) All parking directional signage within and serving the Parking Unit, subject to review with the Parking Operations Committee, where replacements and changes are proposed; Unit No. 3 Owner shall have no liability for repair, maintenance or replacement of any signage installed by or on behalf of any other Unit Owner located within Unit No. 3 as provided in Section 11 below of this Declaration; and,
- (11) Other items of maintenance, repair and replacement as required by and to be undertaken in accordance with the Condominium Instruments or this Declaration.

(C) *Permissible Times for Repairs, Maintenance and Replacements, Alterations and Capital Improvements.* Except in the event of an Emergency Situation, and recognizing the importance of the Parking Objectives, Unit No. 3 Owner shall use good faith efforts to minimize any disruption to the parking operations in the Parking Unit, and the amount of area of the Parking Unit that must be closed, in order to undertake any maintenance, repairs and replacements, alterations and capital improvements in and about Unit No. 3 or any portion thereof. Except in the event of an Emergency Situation, Unit No. 3 Owner shall provide the Parking Operations Committee with no less than 30 days' prior written notice of any scheduled capital improvement or alterations in or to the Parking Unit, as well as any scheduled maintenance, repair or replacement of the Parking Unit. Except in the event of an Emergency Situation or with the approval of the Parking Operations Committee, no maintenance, repairs and replacements, alterations or capital improvements may be undertaken (1) during those calendar months that are peak shopping months of the calendar year, initially being the calendar months of August, November and December, understanding that the Parking Operations Committee at its sole, but reasonable discretion, taking into account the Parking Objectives, may determine that there is reasonable basis to vary the identification or number of such peak shopping months, either (a) due to the practice at comparable high quality retail complexes in the Washington, D.C. metropolitan area, or (b) due to contractual obligations with tenants of a Unit or the normal and customary business practice of the occupant of a Unit, or (2) during the Hours of Operation upon

first obtaining the prior approval of the Parking Operations Committee, which approval may not be unreasonably withheld, delayed or conditioned, provided that it shall be reasonable for the Parking Operations Committee to deny approval where a Unit Owner provides evidence of a lease with a tenant or a statement of customary and normal operating procedures of an occupant that would preclude the undertaking of such activities during the Hours of Operation.

(D) *Periodic Evaluation of Maintenance Standards.*

(1) Two (2) years after the Opening Date, and every two (2) years thereafter, the Parking Operations Committee shall convene to evaluate the Maintenance Standards set forth in Exhibit B and to determine if modifications are required in light of the Parking Objectives. The unanimous vote of the Parking Operations Committee is required to affect any such change in the Maintenance Standards. In the event the members of the Parking Operations Committee cannot agree to any change in the Maintenance Standards, then the existing Maintenance Standards shall remain in place and one or more of the Unit Owners may invoke the provisions of Section 13(H) below.

(2) In the event any Unit Owner desires to modify the Maintenance Standards at a time other than during the periodic evaluation period identified herein, such party may submit the request to the Parking Operations Committee for consideration in light of Parking Objectives. The unanimous vote of the Parking Operations Committee is required to affect a change. In the event the parties cannot agree to any change to the Maintenance Standards, then the Maintenance Standards shall remain in place as unchanged and any of the parties may invoke the provisions of Section 13(H) below.

9. Easement Rights of Unit No. 1 and Unit No. 2 Within the Parking Unit. Each of Unit No. 1 Owner and Unit No. 2 Owner has been granted certain easements in the Condominium Instruments to, among other things, (i) establish shopping cart corrals and install equipment related thereto within the Parking Unit and (ii) to construct, maintain, repair and replace penetrations in portions of the concrete floor slab between Unit No. 1 and Unit No. 2 and the Parking Unit, and between the various levels of the Parking Unit, as necessary, to install, house, maintain, repair and replace internal, electric passenger elevators or lift and related equipment, intended to connect Unit No. 1 and/or Unit No. 2, as applicable, with the Parking Unit, all as hereinafter provided:

(A) *Shopping Cart Corrals -- Number and Location.* The number and location of all shopping cart corral locations, and the beneficiaries of such shopping cart corrals (i.e., Unit No. 1 Owner and/or Unit No. 2 Owner) shall be as indicated on the Parking Layout Plan (each location within Unit No. 3, a "Shopping Cart Corral Easement Area"). Each Owner benefited by a Shopping Cart Corral Easement Areas shall be solely responsible for the installation, operation, maintenance, repair and removal of any equipment related to a shopping cart corral established within such Area for its benefit, and any and all costs incurred in connection therewith. Unit No. 3 Owner shall have no liability for any costs and expenses related thereto. Each of Unit No. 1 Owner and Unit No. 2 Owner shall require that the tenants, occupants, and/or licensees of its Units retrieve any shopping carts deposited in the various Shopping Cart Corral Easement Areas, and elsewhere within the Parking Unit periodically during the Hours of Operation, and at the end of each calendar day so as not to interfere with the parking of vehicles and the flow of traffic. Each of Unit No. 1 Owner and Unit No. 2 Owner shall indemnify, defend and hold

harmless Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives for any and all injuries, damages or claims against Unit No. 3 Owner as a result of or arising out of activities or omissions on or relating to its obligations under this Section 9(A), except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them.

(B) *Elevator Related Easement Areas – Number and Location.* The number and location of all elevators, stair and elevator lobby easement areas, and the beneficiaries of such easements for those purposes, shall be as indicated on the Parking Layout Plan (each, an “Elevator Easement Area”). Each Owner benefiting from such easement shall be solely responsible for (1) the installation, maintenance, repair and replacement of any floor slab penetrations within the Parking Unit created in connection with the exercise of such easement rights, and (2) the installation, maintenance, repair and replacement of any internal, electric passenger elevators or lifts and related equipment and elevator lobby areas within such Elevator Easement Areas, and any costs incurred in connection therewith. Each of Unit No. 1 Owner and Unit No. 2 Owner shall indemnify, defend and hold harmless Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives for any and all injuries, damages or claims against Unit No. 3 Owner as a result of or arising out of activities or omissions on or relating to its obligations under this Section 9(B), except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them.

(C) *Relocation of Shopping Cart Corral Easement Areas and Elevator Easement Areas/ Change in the Number of Shopping Cart Corral Easement Areas and Elevator Easement Areas/Substitution of Elevator Easement Areas.* Unit No. 3 Owner shall cooperate reasonably with each of Unit No. 1 Owner and Unit No. 2 Owner, as applicable, in the event that either Unit Owner desires to relocate one or more Shopping Cart Corral Easement Areas or Elevator Easement Areas, to change the number of either or both of Shopping Cart Corral Easement Areas and the Elevator Easement Areas, or convert any Elevator Easement Area to a Common Element, in any case (1) as may be reasonably required to support the retail operations within Unit No. 1 and Unit No. 2, or the Condominium generally, (2) to satisfy the requirements of one or more retail tenants operating within Unit No. 1 or Unit No. 2, as applicable, or (3) as may be reasonably required to fulfill the Parking Objectives. The Unit Owner requesting the relocation, substitution or a change in the number of the Shopping Cart Corral Easement Area and/or the Elevator Easement Area, as applicable, shall be responsible for all of the costs incurred in connection with such easement relocation. In no event shall the relocation of a Shopping Cart Corral Easement Areas or an Elevator Easement Area, the substitution of a Common Element area for elevator purposes for an Elevator Easement Area, or an increase in the number of the Shopping Cart Corral Easement Areas or the Elevator Easement Areas within Unit No. 3 be permitted if such relocation or increase in number would result in a failure of the Parking Unit to: provide at least 1,000 legal parking spaces; have available attendant assisted parking accommodations for an additional 244 vehicles in Unit No. 3 in accordance with the BZA Order; or cause Unit No. 3 to be in violation of any governmental law, order, ordinance or regulation. Each of Unit No. 1 Owner and Unit No. 2 Owner shall indemnify, defend and hold harmless Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives for any and all injuries, damages or claims against Unit No. 3 Owner as a result of or arising out of activities or omissions on or relating to its relocation or increase in the

number of the Shopping Cart Corral Easement Areas or its relocation or increase in or substitution for Elevator Easement Areas under this Section 9(C), except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them.

10. Unit Owners to Cooperate with One Another.

(A) *Retail Area.* The parties hereby acknowledge that the retail uses operating within Unit No. 1 will initially include car audio and stereo installation services, which installation services to be performed in the Retail Area of Unit No. 1 which is located on the same level in the improvements on the Property as the Parking Unit. The customers and employees of Unit No. 1 utilizing the Retail Area must access the Retail Area through the Parking Unit. Unit No. 1 Owner and any tenant or licensee of Unit No. 1 performing such services shall cooperate reasonably with Unit No. 3 Owner and the Parking Operator to restrict any such installation services to the Retail Unit, to minimize any impact of such activity on the traffic flow into and out of the Parking Unit and to help ensure that Unit No. 3 Owner will be able to satisfy the Parking Objectives. In addition to the foregoing, Unit No. 1 Owner hereby agrees as follows:

(1) All activities in the Retail Area shall be performed at the sole risk and cost of Unit No. 1 Owner; Unit No. 3 Owner shall have no liability for any injury, damage or other claim occurring or that may have occurred within the Retail Area or as a result of the operations occurring within the Retail Area, except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them;

(2) No hazardous materials of any kind or nature shall be used in the Retail Area;

(3) Unit No. 1 Owner, or its tenants or licensees, shall maintain at all times adequate limits of all-risk property insurance, commercial general liability insurance, products-completed operations insurance, workers compensation insurance and all other insurance generally required for operations similar to those being performed in the Retail Area. Unit No. 3 Owner and Parking Operator shall be named as additional insureds on such insurance policies, and adequate evidence of such insurance shall be provided to Unit No. 3 Owner at all times;

(4) Unit No. 1 shall provide notice to Unit No. 3 Owner of the hours of operation of the Retail Area, as the same change from time to time;

(5) Unit No. 3 Owner shall have no responsibility or obligation with regard to security, asset management, maintenance, repair, replacement or capital improvements for the Retail Area, which shall be provided by Unit No. 1 Owner in its sole risk and cost;

(6) Any utilities used by Unit No. 1 in the Retail Area shall be obtained by Unit No. 1 Owner through Unit No. 1, and Unit No. 1 Owner shall be solely responsible for all such utilities; and,

(7) Unit No. 1 Owner shall indemnify, defend and hold harmless Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives for any and all injuries, damages or claims against Unit No. 3 Owner as a result of or arising out of activities or omissions on or relating to the Retail Area or Unit No. 1 Owner's obligations under this Section 11.(A), except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them.

(B) *Package Pick-Up Area.* Certain areas identified on the Parking Layout Plan are Package Pick-Up Areas portion of Unit No. 1 or Unit No. 2, as applicable, for parcel pick-up by and drop-off for patrons of Unit No. 1 and Unit No. 2, as applicable. Each of Unit No. 1 Owner, Unit No. 2 Owner and Unit No. 3 Owner recognize the importance of the Package Pick-Up Areas to the efficient and effective operation of the Condominium as an urban retail shopping center. Each of Unit No. 1 Owner and Unit No. 2 Owner, and its respective tenants or licensees, and Unit No. 3 Owner and the Parking Operator shall cooperate to ensure that package pick-up and drop off will occur only at the Package Pick-Up Areas shown on the Parking Layout Plan. Each of Unit No. 1 Owner and Unit No. 2 Owner, and its respective tenants or licensees shall cooperate reasonably with Unit No. 3 Owner and the Parking Operator to modify or adapt package pick-up and drop-off services and practices to increase the efficiency and effectiveness of the parcel delivery process for the customers of the Building, to minimize any impact of such activity on the traffic flow into and out of the Parking Unit and to help ensure that the Parking Objectives can be achieved and maintained. In addition to the foregoing, each of Unit No. 1 Owner and Unit No. 2 Owner with regard to its Package Pick-Up Area hereby agrees to the following:

(1) All activities in a Package Pick-Up Area shall be performed at the sole risk and cost of the Unit Owner to which it is assigned; Unit No. 3 Owner shall have no liability for any injury, damage or other claim occurring or that may have occurred within any Package Pick-Up Area or as a result of the operations occurring within a Package Pick-Up Area, except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them;

(2) Each of Unit No. 1 Owner and Unit No. 2 Owner, or its tenants or licensees, shall maintain at all times adequate limits of all-risk property insurance, commercial general liability insurance, products-completed operations insurance, workers compensation insurance and all other insurance generally required for operations similar to the those being performed in its Package Pick-up Area, Unit No. 3 Owner and Parking Operator shall be named as additional insureds on such insurance policies, and adequate evidence of such insurance shall be provided to Unit No. 3 Owner at all times;

(3) Unit No. 3 Owner shall have no responsibility or obligation with regard to security, maintenance, repair, replacement or capital improvements for any Package Pick-up Area, which shall be provided by either Unit No. 1 Owner or Unit No. 2 Owner, as applicable, at such Owner's sole risk and cost;

(4) Any utilities used in a Package Pick-up Area shall be obtained by the Unit Owner to whom a Package Pick-up Area is assigned, and that Unit Owner shall be solely responsible for all such utilities;

(5) Each of Unit No. 1 Owner and Unit No. 2 Owner shall indemnify, defend and hold harmless Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives for any and all injuries, damages or claims against Unit No. 3 Owner as a result of or arising out of activities or omissions on or relating any Package Pick-up Area assigned to its or such Unit Owner's obligations under this Section 11.(B), except as may be caused by the gross negligence or willful misconduct of Unit No. 3 Owner, its employees, agents, Parking Operator, mortgagees and representatives or any of them; and,

(6) The Package Pick-Up Areas may only be used solely for package pick-up and drop-off by patrons of Unit No. 1 or Unit No. 2, as applicable.

11. Retail and Branding Signage Within the Parking Unit.

(A) *Retail Directional, Wayfinding and Branding Signage within Parking Unit.* In addition to Limited Common Element areas assigned to Unit No. 1 and Unit No. 2 under the Condominium Instruments for Identification Monuments, Unit No. 1 Owner and Unit No. 2 Owner and their respective tenants and licensees shall have the right and easement, at their sole cost and expense, to place, maintain, repair and replace retail directional, wayfinding and branding signage, vertically and horizontally (whether applied, affixed or suspended), within the Parking Unit, including signage that directs patrons of the Parking Unit to the means of access to the various retail uses operating within Unit No. 1 and Unit No. 2, all in the locations depicted and manner described in the sheets within Exhibit D to this Declaration. Unit No. 1 Owner and Unit No. 2 Owner agree to consult with Unit No. 3 Owner as to any proposed new or additional signage, and after the expiration of twelve (12) months after the Opening Date shall be required to obtain the approval of Unit No. 3 Owner as to the size, number, location and manner of installation of any proposed new or additional signage, or replacement of any then existing signage that would be inconsistent with the locations depicted and the manner of presentation described or depicted in the sheets within Exhibit D to this Declaration, which approval by Unit No. 3 Owner may not be unreasonably withheld, delayed or conditioned. Signage of any Unit Owner installed in accordance with this Section 11(A) shall be given preference as to location within Unit No. 3 where any signage is to be installed pursuant to Section 11(b) below.

(B) *Other Signage within Parking Unit.*

(1) Provided the same does not violate or otherwise undermine achievement of the Parking Objectives, Unit No. 3 Owner may use, lease or license any wall areas within the Parking Unit as and where depicted on certain sheets within Exhibit D to this Declaration (the "Permitted Signage Areas") to Qualified Advertisers (as hereinafter defined), provided that (a) the location and content of such advertising signage does not interfere with retail direction signage installed pursuant to Section 11(A) above, (b) the signage conforms to the types and content of advertising signage found in Comparable Parking Facilities, and (c) such signage would not violate any signage restrictions provided for in leases with tenants or normal operating policies of occupants of Unit No. 1 or Unit No. 2, provided Unit No. 3 Owner has been notified in writing of such restrictions at the time any lease is executed with the Unit No. 1 Owner or the Unit No. 2 Owner, or a the normal operating policy of the occupant is adopted on company wide basis.

(2) A "Qualified Advertiser" shall be (a) a retail business located in Unit No. 1 or Unit No. 2, and (b) a non-retail reputable business that this not otherwise prohibited from conducting business within the Building by the Condominium Instruments, the intent being to limit Qualified Advertisers to retail occupants of the Building and reputable non-retail companies that are not prohibited by the Condominium Instruments from conducting non-retail businesses in the Building. The company, business entity or individual being advertised shall be considered the party placing the advertisement for the purposes of determining whether such party is reputable and whether it is engaged in a retail business and any agency or other company/business entity/individual renting the advertisement on such other party's account shall be disregarded.

(C) *Parking Facility Operating Signage.* Unit No. 3 at its sole cost and expense shall maintain, repair and replace all signage located within the Parking Unit related to ingress and egress, payment system, or directional or wayfinding signage to General Common Elements of the Condominium (and not to specific retail uses operating within Unit No. 1 and Unit No. 2), to code required exit stairs, and the like, including, without limitation, any such signage depicted on the sheets within Exhibit D to this Declaration. Two (2) years after the Opening Date, and every two (2) years thereafter, the Parking Operations Committee shall convene to review this signage, including, but not limited to (i) its clear delivery of information, (ii) location, and (iii) maintenance and repair schedule. Unit No. 3 shall give due consideration to implementing any recommendations that may be made by the Parking Operations Committee arising from this review, and from any Unit Owner from time to time.

12. Other Uses Within Parking Unit.

Unit No. 3 Owner shall not be permitted to conduct any other uses within the Parking Unit other than parking (such as car washing and detailing services) without the prior unanimous approval of the Parking Operations Committee. This determination of the Parking Operations Committee is not subject to review and re-consideration pursuant to the provisions of Section 13(H) below.

13. Establishment and Operation of Parking Operations Committee.

(A) *Establishment of Committee.* There is hereby established a committee (the "Parking Operations Committee") consisting of three (3) members, one member representing each of Unit No. 1, Unit No. 2 and Unit No. 3. The Owner of each Unit shall appoint a qualified, duly authorized person to be its member on the Parking Operations Committee as to that Unit, and each member (i) shall represent only the interests of the Unit Owner who appointed such member, (ii) must independently exercise his or her rights and responsibilities as a member of the Parking Operations Committee and (iii) shall participate in the deliberations of the Parking Operations Committee and not withhold from acting as a member of the Parking Operations Committee as otherwise provided for in this Declaration. No member of the Parking Operations Committee may represent more than one Unit or the interests of a Unit Owner who did not appoint such member, notwithstanding that a Unit Owner may own multiple Units. Additionally no Unit Owner may delegate the rights and responsibilities of its member of the Parking Operations Committee to the member of the Parking Operations Committee of another Unit Owner, or delegate the right to appoint its member of the Parking Operations Committee to any other party (including, without limitation, any other Unit Owner).

(B) *Function of Committee.* The Parking Operations Committee is established in order to (i) ensure that the Parking Unit is operated and managed in a manner consistent with the requirements of this Declaration and the Parking Objectives; (ii) to preserve the rights and benefits granted to each Owner pursuant to this Declaration; and (iii) to exercise the powers, rights and duties reserved specifically herein to the Parking Operations Committee. The Parking Operations Committee shall further have the right to monitor each party's compliance with this Declaration, grant or withhold approval where applicable, recommend modifications and actions where approval is not required and, when applicable, enforce the terms of this Declaration.

(C) *Term of Office.* Each member of the Parking Operations Committee shall serve for a term of three (3) years. A member of the Parking Operations Committee may resign or may be removed, with or without cause, by the Owner so appointing that member, and such Owner shall designate his or her successor. Any successor member of the Parking Operations Committee shall serve for the remainder of the term of the member who has resigned or is removed.

(D) *Regularly Scheduled Meetings.* Regularly scheduled meetings of the Parking Operations Committee shall be held at least twice each year during the term of this Declaration. The Parking Operations Committee shall establish the dates, times and location for regularly scheduled Parking Operations Committee meetings. No less than thirty (30) days' prior notice of each regularly scheduled meeting shall be given each committee member.

(E) *Special Meetings/Emergency Actions.* Special meetings of the Parking Operations Committee may be called by any member of the Parking Operations Committee on a minimum of seven (7) days' prior notice given to each member of the Parking Operations Committee, by hand delivery, mail, fax and/or email, which notice shall state the time, place and purpose of the meeting, including supporting materials to be considered at such meeting. Notwithstanding the foregoing should an Emergency Situation or condition arise that makes it impractical or imprudent to provide the prior notice of a special meeting to members required by this Section 13(E), then Unit No. 3 Owner may act to address the Emergency Situation or condition, providing however timely and full information about the situation or condition to other Unit Owners and all members of the Parking Operations Committee, and reporting promptly thereafter to the Parking Operations Committee at a special meeting of the Parking Operations Committee duly called for that purpose.

(F) *Waiver of Notice.* Any member of the Parking Operations Committee at any time in writing may waive notice of any meeting of the Parking Operations Committee, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Parking Operations Committee at any meeting of the Parking Operations Committee shall constitute a waiver of notice by such member of the time and place of such meeting, unless such attendance is for the purpose of objecting to such meeting. If all members of the Parking Operations Committee are present at any meeting of the Parking Operations Committee, no notice shall be required and any business may be transacted at such meeting.

(G) *Quorum; Voting of Parking Operations Committee.* Provided a meeting of the Parking Operations Committee is duly called by appropriate notice, the attendance by two (2) members of the Parking Operations Committee shall constitute a quorum for the conducting of a meeting and the transaction of business; provided, however, that any quorum of less than all

three members of the Parking Operations Committee may not pass any vote requiring the unanimous consent of the committee. Unless otherwise specifically provided for in this Declaration, all actions of the Parking Operations Committee shall be passed by majority vote of all three (3) members; provided, however, that prior to the time that Declarant first conveys legal title to the Parking Unit to a party unaffiliated with Declarant, then where a decision can be made or action taken by the Parking Operations Committee by majority vote, unanimous vote of all members of the Parking Operations Committee must be achieved to give such approval or take such action. Where a vacancy exists in a member of the Parking Operations Committee, then the Parking Operations Committee may still act, but only on those matters where only a majority vote is permitted, and then both seated members must act with unanimity. Furthermore should either Unit No. 1 Owner or the Unit No. 2 Owner, or an agent of affiliate thereof, be the party proposed by Unit No. 3 Owner to become the Asset Manager, then Unit No. 3 Owner must obtain the concurrence of the other Unit Owner before designating the proposed Unit Owner as the Asset Manager.

(H) *Dispute Resolution.* If any proposed action requiring unanimous approval or consent cannot be obtained due to failure to obtain the unanimous approval or consent of the members of the Parking Operations Committee (including where unanimous approval or consent is required under the circumstance enumerated in Section 13(G) above) or where a matter or action in this Declaration is described as being subject to a decision or determination by the invocation of the procedures of this Section 13(H), then within five (5) days after the date of that meeting any member of the Parking Operations Committee may appeal that action (or failure to act) to the Arbiter pursuant to the provisions of this Section 13(H). A copy of any notice of appeal issued shall be sent to each mortgagee or bondholder having a lien on legal title to any of Unit No. 1, Unit No. 2 and Unit No. 3. In such circumstances, any member of the Parking Operations Committee may submit any disagreement or failure to act under this Declaration to the Arbiter who shall have the authority to issue a binding determination or decision on the matter, based upon the proposal that was submitted to the Parking Operations Committee for its consideration and action. The Arbiter shall render a decision in no more than twenty one (21) days after receipt of notice of appeal, except in those instances as asserted by a Unit Owner where an emergency condition or a condition that affects the health, safety and welfare of the patrons of the Parking Unit, the structural and operational integrity of the Building or the Condominium or the opening or continuous operation of the Parking Unit, or a material portion thereof, as required by Section 6 of this Declaration (each, an "Emergency Situation"), in which case if the Arbiter agrees that an Emergency Situation exists then a decision or determination shall be rendered within forty-eight (48) hours after receipt of the notice of appeal. Pending the issuance of the binding determination or decision by the Arbiter, the policy, budget, obligations or provision of this Declaration shall remain unchanged on the matter in question and the present condition, operating policy and procedure of the Parking Unit shall continued unchanged (except to the extent the Parking Operations Committee exercises its rights under Section 4(F) or 5(F) of this Declaration). Should the members of the Parking Operations Committee reach an agreement on the matter in question, prior to a determination or decision being issued by the Arbiter to the appealing member of the Parking Operations Committee, then the decision of the Parking Operations Committee shall be controlling and binding. In considering his or her decision or determination on any matter brought before the Arbiter, the Arbiter shall be guided in reaching his or her determination or decision by the Parking Objectives. So long as either Citicorp USA, Inc. or Citicorp North America, Inc. is a lienholder in legal title to any Unit in the Condominium, Citicorp USA, Inc. shall be permitted to participate in the dispute resolution process before the

Arbiter to provide its views and recommendations on the matter in dispute. The term "Arbiter" shall mean Allen J. Ross, currently of the law firm of Thelan Reid Brown Raysman & Steiner LLP of New York, New York, as of the Effective Date, and thereafter a party selected by the Parking Operations Committee by unanimous consent annually at a regularly scheduled meeting of the Parking Operations Committee on or about the anniversary date of the Execution Date, or at any other time at a special meeting of the Parking Operations Committee where the party selected as the Arbiter is no longer able or willing to serve in such role, whether due to resignation, death or development of a conflict. A party selected as Arbiter at a special meeting shall serve only until the next regularly scheduled meeting of the Parking Operations Committee on or about the anniversary date of the Execution Date. In all events a party to be eligible for selection as the "Arbiter" shall be an independent, duly qualified property manager having no less than five (5) years experience in managing and overseeing operations of Comparable Parking Facilities. If, at any time, the Parking Operations Committee cannot unanimously agree on the party that is to serve to be the Arbiter, then the Parking Operations Committee shall, and any member thereof may, request the "JAMS, the Resolution Experts" organization in the District of Columbia or similar party (including the American Arbitration Association) to appoint a party to be the Arbiter, which party shall serve until such time as the Parking Operations Committee shall agree upon a party to be the Arbiter by unanimous consent at a regularly scheduled meeting or a special meeting of the Parking Operations Committee. The Arbiter shall be entitled to receive, and be reimbursed for, the party's usual and customary fees, costs and expenses. Each member of the Parking Operations Committee shall pay one third of the fees, costs and expenses of the Arbiter, where the dispute resolution process is invoked, with each being obligated to advance to the Arbiter payment based upon the Arbiter's estimate of the party's fees, costs and expenses, with a reconciliation and final payment to be made to the Arbiter by each member of the Parking Operations Committee promptly after the rendering of a decision or determination by the Arbiter and the issuance of a final, reconciled invoice for services by the Arbiter.

(I) *Enforcement.*

(1) If, after a decision or determination has been rendered pursuant to Section 13(H) above, and Unit No. 3 Owner, Unit No. 2 Owner or Unit No. 1 Owner fails to perform as required by such decision or determination, the Parking Operations Committee or any Unit Owner may seek specific performance of the determination or decision in a court of competent jurisdiction, at the cost and expense of the non-performing party, such cost and expense incurred if not fully reimbursed within thirty (30) days, subject however to the provisions of Section 16(A)(2) as to limitations on the liability of Unit No. 3 Owner for any costs and expenses therefore so long as the District is Unit No. 3 Owner.

(2) In addition to the remedy available in Section 13(I)(1) above of this Declaration, if the Arbiter makes a decision or determination with regard to a matter brought before the Arbiter pursuant to Section 13(H) of this Declaration, and the matter involves (a) the performance of the Asset Manager, (b) the performance of the Parking Operator, (c) a complaint concerning the performance of maintenance or repairs of Unit No. 3 that effect the health, safety or general welfare of patrons of the parking facility with Unit No. 3, or (d) a complaint concerning the opening, Hours of Operation or continuous operation of the parking facility as required and in accordance with the provisions of Section 6 of this Declaration, and Unit No. 3 Owner does not take material and substantive actions to implement such decision or determination by the next calendar day following receipt of notice of the Arbiter's decision or

determination, then the Parking Operations Committee (or prior to the time that Declarant conveys legal title to the Parking Unit to the District, Unit No. 2 Owner) shall have the right, subject to any provisions of any then existing and operative licensing arrangement between the Declarant and the District regarding the District's rights to operate the Parking Unit including but not limited prior notice of intent to act, to immediately enter upon the Parking Unit as agent on behalf of Unit No. 3 Owner and, at the sole expense of Unit No. 3 Owner, to take such steps as may be reasonably necessary to implement the decision or determination of the Arbiter, subject however to the provisions of Section 16A)(2) as to limitations on the liability of Unit No. 3 Owner for any costs and expenses therefore so long as the District is Unit No. 3 Owner. The Parking Operations Committee shall contemporaneously notify the mortgagee or bondholder having a lien on legal title to Unit No. 3 of the Parking Operations Committee's intent to exercise such rights. Where action to be taken by the Parking Operations Committee is the replacement of the Parking Operator then any replacement party selected as the Parking Operator by the Parking Operations Committee must meet the qualifications for that position specified in Section 4(A), and if the Bonds are still outstanding, the replacement party must either assume the then existing Parking Management Agreement or enter into a Parking Management Agreement in the same form as the then existing Parking Management Agreement in order to preserve federal tax treatment of the Bonds. If the Parking Operations Committee elects to exercise the rights provided for hereunder, then in exercising those rights the Parking Operations Committee may not do anything that would cause a default under the Public Financing or cause the Bonds to become taxable.

(J) *Conduct of Meetings.* All resolutions adopted by the Parking Operations Committee and all transactions and proceedings occurring at all meetings of the Parking Operations Committee shall be held in a Minute Book maintained for the Parking Operations Committee by Unit No. 1 Owner. The then current Robert's Rules of Order or any other rules of procedure at any time or from time to time acceptable to a majority of the members of the Parking Operations Committee shall govern the conduct of the meetings of the Parking Operations Committee, when not in conflict with any other provisions of this Declaration or the Condominium Instruments. In lieu of meetings requiring the physical presence of members of the Parking Operations Committee, meeting may be conducted by teleconference or in some other similar manner where all members of the Parking Operations Committee can participate, so long as such teleconferencing or other method provides for audible participation by all members of the Parking Operations Committee.

(K) *Action Without Meeting.* Any action by the Parking Operations Committee required or permitted to be taken at any meeting may be taken without a meeting if all of the members of the Parking Operations Committee shall consent in writing to such action. Any such unanimous written consent shall be filed with the minutes of the proceedings of the Parking Operations Committee.

(L) *Response to Requests and Inquiries from Owners.* Except as otherwise set forth in this Declaration, the Parking Operations Committee shall be obligated to respond to any written requests or inquiries made by one or more Owners within thirty (30) days following the Parking Operations Committee's receipt of any such notice or inquiry. In the event the Parking Operations Committee fails to timely respond to the requesting Owner(s) within such thirty (30) day period, and then any request made by the requesting Owner(s) shall be deemed approved.

(M) *Powers and Duties of the Parking Operations Committee.* The Parking Operations Committee shall have all of the rights, powers and duties identified in the body of this Declaration, and such other rights, powers and duties as may be approved by unanimous agreement of the Owners. Notwithstanding the above, and as provided elsewhere herein and in the Condominium Instruments, the parties acknowledge and agree that Unit No. 3 Owner shall be primarily responsible for the day-to-day operation, management and maintenance of the Parking Unit.

14. Insurance.

(A) *Agreement to Maintain Coverage; Evidence of Coverage.* Each of Unit No. 3 Owner, Unit No. 2 Owner and Unit No. 1 Owner agree, at its sole cost, to carry and keep in full force and effect at all times during the term of this Declaration, at a minimum, a commercial general liability policy with a single limit of at least Three Million Dollars (\$3,000,000) including coverage for bodily injury, property damage and personal injury liability, with a combined single limit of Ten Million Dollars (\$10,000,000), related to activities carried on by each of them, and their respective employees, agents and invitees in and about the Parking Unit; provided that if, as to any required coverage program the specified dollar level of insurance coverage is not readily available at commercially reasonable rates, then the then highest dollar level of coverage readily available at commercially reasonable rates, but in any case no less than a single limit of One Million Dollars (\$1,000,000). Unit No. 3 Owner shall also maintain or have maintained on its behalf garage keepers legal liability insurance. Each of the Unit Owners shall insure at its sole costs and expense its personal property and fixtures located in and about Unit No. 3, to the replacement value of such personal property and fixtures.

(B) *Insurance Carrier.* The company or companies writing the insurance required to be carried and maintained by the parties pursuant to this Declaration shall be licensed to do business in the District and shall hold a Best's Insurance Rating of A-VII or better.

(C) *Identification of Insureds.* Each party's commercial general liability insurance policies and certificates evidencing such insurance shall name the other two Owners as well as the Unit Owners Association, and each of their respective agents, officers, employees, personnel, and mortgagees, as additional insureds on each of the policies of insurance required to be obtained and maintained. Any insurance carried or to be carried hereunder by the Owners shall be primary over any policy that might be carried by any of the additional insureds.

(D) *Supplemental Coverage.* Any insurance coverages required under this Section shall supplemental to any required insurance coverage provided for in the Condominium Instruments to be obtained by the Unit Owners Association and each of the Unit Owners thereunder.

15. Payment of Costs.

(A) So long as the District is the Unit No. 3 Owner, the District of Columbia Quick Payment Act of 1984, as amended from time to time (and implementing regulations thereof) shall apply to the payment of the monetary obligations of the Unit No. 3 Owner under this Declaration and under the Condominium Instruments, and the Parking Operations Committee, the Unit No. 1 Owner and Unit No. 2 Owner and the Unit Owners Association may